SENATE RECORD VOTE ANALYSIS

106th Congress — March 25, 1999, 6:17 p.m.
1st Session — **Vote No. 70** — Page S-3387 Temp. Record

BUDGET RESOLUTION/Mandatory Spending Control

SUBJECT: **Senate Concurrent Budget Resolution for fiscal years 2000-2009 . . . S.Con. Res. 20. Craig motion to waive the Budget Act for the consideration of the Craig amendment No. 146.**

ACTION: MOTION REJECTED, 52-47

SYNOPSIS: As reported, S.Con. Res. 20, the Senate Concurrent Budget Resolution for fiscal years 2000-2009: will cut the debt held by the public (money that the Federal Government owes to creditors other than itself) in half over 10 years; will fully fund Medicare (all of the President's proposed $9 billion in Medicare cuts were rejected; as a result, this budget will allow $20.4 billion more in Medicare spending over the next 10 years); will save the entire $1.8 trillion in Social Security surpluses over the next 10 years for Social Security; will provide for $778 billion in net tax relief over the next 10 years (in contrast, the President's budget would increase the tax burden by $96 billion net over 10 years), and will adhere to the spending restraints (discretionary spending caps and pay-go provisions) of the bipartisan budget agreement as enacted in the Balanced Budget Act of 1997 and the Taxpayer Reform Act of 1997 (the President's proposed budget, in contrast, would dramatically increase spending in violation of that bipartisan agreement, and would result in $2.2 trillion more in total Federal debt at the end of 10 years than proposed in this Senate budget).

The Craig amendment would create a point of order against considering any legislation in the Senate that would increase direct spending without offsetting that increase with a decrease in other direct spending. (Direct, or mandatory, spending, which includes entitlement spending, is spending that occurs automatically each year unless there is a change in the law that requires it. For instance, any individual who meets the eligibility criteria for Medicare is entitled to Medicare benefits as defined by law. This amendment would not affect any existing direct spending; it would only affect the creation of new direct spending.) The point of order could be waived by a three-fifths majority (60) vote. Appeals of the ruling of the Chair would be limited to 1 hour, and would require a three-fifths majority vote to succeed. Under current budget rules, a point of order lies against legislation that would create new direct spending programs unless it is offset with either new taxes or spending cuts. The effect of the Craig amendment would therefore

(See other side)

YEAS (52)			NAYS (47)			NOT VOTING (1)	
Republicans (50 or 93%)		Democrats (2 or 4%)	Republicans (4 or 7%)	Democrats (43 or 96%)		Republicans (1)	Democrats (0)
Abraham	Hatch	Kerrey	Chafee	Akaka	Johnson	McCain-2	
Allard	Helms	Robb	Jeffords	Baucus	Kennedy		
Ashcroft	Hutchinson		Snowe	Bayh	Kerry		
Bennett	Hutchison		Specter	Biden	Kohl		
Bond	Inhofe			Bingaman	Landrieu		
Brownback	Kyl			Boxer	Lautenberg		
Bunning	Lott			Breaux	Leahy		
Burns	Lugar			Bryan	Levin		
Campbell	Mack			Byrd	Lieberman		
Cochran	McConnell			Cleland	Lincoln		
Collins	Murkowski			Conrad	Mikulski		
Coverdell	Nickles			Daschle	Moynihan		
Craig	Roberts			Dodd	Murray		
Crapo	Roth			Dorgan	Reed		
DeWine	Santorum			Durbin	Reid		
Domenici	Sessions			Edwards	Rockefeller		
Enzi	Shelby			Feingold	Sarbanes		
Fitzgerald	Smith, Bob			Feinstein	Schumer		
Frist	Smith, Gordon			Graham	Torricelli		
Gorton	Stevens			Harkin	Wellstone		
Gramm	Thomas			Hollings	Wyden		
Grams	Thompson			Inouye			
Grassley	Thurmond						
Gregg	Voinovich						
Hagel	Warner						

EXPLANATION OF ABSENCE:
1—Official Business
2—Necessarily Absent
3—Illness
4—Other

SYMBOLS:
AY—Announced Yea
AN—Announced Nay
PY—Paired Yea
PN—Paired Nay

be to make it more difficult for Members to propose new taxes to pay for any new mandatory spending ideas they might have.

After debate, Senator Lautenberg raised a point of order that the amendment violated section 305(b)(2) of the Budget Act. Senator Craig then moved to waive the Budget Act for the consideration of the amendment. Generally, those favoring the motion to waive favored the amendment; those opposing the motion to waive opposed the amendment.

NOTE: A three-fifths majority (60) vote is required to waive the Budget Act. After the vote, the point of order was upheld and the amendment thus fell.

Those favoring the motion to waive contended:

In an effort to avoid increasing the deficit, current "paygo" or "pay-as-you-go" procedures require that new entitlement spending must be offset either with tax increases or with reductions in other entitlement spending. The problem with this formulation is that tax increases generally result in less revenue than expected, and entitlement spending generally results in greater spending than expected. In other words, trying to pay for new entitlement spending with new taxes does not work--it results in greater deficit spending. The Craig amendment would correct this problem by creating a new point of order against using new taxes to pay for new entitlement spending. This point of order should be approved both to make our budget procedures more honest and to protect the surpluses that are going to be generated for Social Security in the next few years from being squandered.

The logic behind enacting paygo procedures was that any permanent law changes in spending should be kept deficit-neutral by having permanent offsets as well. Thus, an increase in spending for an existing or a new mandatory program would have to be offset by a decrease in another mandatory spending program, which would be a decrease that would be just as permanent, or, alternatively, by an increase in taxes, which would likewise be lasting from year to year. On the other side of the equation, tax cuts would have to be similarly offset. The problem with the logic of this provision is that it fails to take into account human behavior. When new mandatory spending is offered, people scramble to find ways to become eligible for the free cash, and Members, eager for votes, try to bend the rules to make ever more people eligible and the benefits ever more generous. The result is that mandatory spending is always much higher than predicted when it is enacted. The situation is exactly the opposite for tax increases. When Congress raises taxes, people do not scramble to find new ways to make those taxes apply to them so that they can pay more. Thus, "paying" for new mandatory spending with new taxes is dishonest and increases the deficit.

Discretionary spending already has strict caps. When new discretionary spending is proposed, other discretionary spending has to be cut. Passing this amendment would put mandatory spending on the same footing as discretionary spending, and would thereby help stem the dangerous trend of entitlement spending crowding out discretionary spending. Last year this amendment garnered bipartisan support, but fell 6 votes shy of the supermajority vote needed to waive the Budget Act so it could be considered. We note that over the last year mandatory spending has risen and that, under all projections, it will continue to rise, and discretionary spending has fallen and will continue to decline. The problem is getting worse. Our hope, therefore, is that support for this measure has grown. We urge our colleagues, again, to waive the Budget Act for this amendment. If they do not, we assure them that we will be back again next year with this amendment. The only difference will be that the problem will have become even worse.

Those opposing the motion to waive contended:

We do not favor restricting our options for paying for new mandatory spending as proposed in this amendment. Programs like Social Security and Medicare are mandatory programs, and we may find in the future that we need to reform them, at least partially, by increasing taxes. If this amendment were in effect, it would be much more difficult to enact such tax increases, even if those increases came from highly advisable actions, such as the closing of corporate tax loopholes. No amendments should be passed that might make it harder to fix Social Security and Medicare. Therefore, this amendment should be rejected.